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April 8, 2003

COSPONSOR THE REFORESTATION TAX ACT

Dear Colleague:

We are writing to ask you to join us as a cosponsor of H.R. 1310, the Reforestation Tax Act (RTA).

In the 107th Congress, this legislation was sponsored by a bipartisan group of over 100 members. Our bill seeks to promote reforestation and sustainable forestry by removing provisions in the tax code that discourage investment in our nation's forests. Growing timber is a risky business. An individual's original investment in land, seedlings and site preparation may not be recouped for decades, and even then the return is unknown due to uncertain market conditions. All the while, that investment is subject to fire, natural disaster, pests and inflation. The first section of the RTA addresses these risks and encourages investment in timber growing by reducing the tax paid on timber at harvest. The amount of reduction, however, is directly tied to the length of time the timber is grown, thus creating an incentive to keep land in forest cover. The second section of the RTA encourages replanting and simplifies current law by allowing all reforestation costs to be deducted in the year such costs are incurred.

These changes to the tax law will make the U.S. forest products industry more competitive internationally and keep jobs in the United States. Previous versions of the RTA have been endorsed by large and small timber growers, organized labor, conservation organizations, and state and national forestry associations.

By making sustainable forestry more competitive here in the U.S., we can protect U.S. companies and workers. If you have any questions or would like to cosponsor the bill, please contact Paul Schlegel, with Congresswoman Dunn's office, at 5-7761 or Andy Lewin, with Congressman Sandlin's office, at 5-3035.

Sincerely,

JENNIFER DUNN
Member of Congress

MAX SANDLIN
Member of Congress